

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO
RICO,

as representative of

THE COMMONWEALTH OF PUERTO
RICO, *et al.*,

Debtors.¹

PROMESA

Title III

Case No. 17-03283 (LTS)

(Jointly Administered)

**INFORMATIVE MOTION OF ASSURED GUARANTY CORP. AND
ASSURED GUARANTY MUNICIPAL CORP. REGARDING
THE PRETRIAL CONFERENCE AND CONFIRMATION HEARING**

Assured Guaranty Corp. and Assured Guaranty Municipal Corp. (together, the “Assured Entities”) hereby submit this Pretrial Informative Motion² (the “Informative Motion”) in

¹ The Debtors in these Title III cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s Federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (“Commonwealth”) (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 04780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Hearing Procedures Order.

compliance with the *Order Regarding Procedures for Hearing on Confirmation of Plan of Adjustment* (ECF No. 18502)³ (the “Hearing Procedures Order”) and respectfully state as follows:

1. Mark C. Ellenberg (mark.ellenberg@cwt.com), William J. Natbony (bill.natbony@cwt.com), Casey J. Servais (casey.servais@cwt.com), and/or Thomas J. Curtin (thomas.curtin@cwt.com) of Cadwalader, Wickersham & Taft LLP will speak on behalf of the Assured Entities at the Pretrial Conference and/or the Confirmation Hearing.

2. The Assured Entities wish to present opening argument in support of confirmation of the Plan of Adjustment.

3. In conjunction therewith, the Assured Entities also intend to specifically address the “GDB Loan Priority Determination” (as defined in the Plan of Adjustment), to the extent that issue is not already resolved by a decision of this Court on the Monolines’⁴ pending motion to dismiss the claims brought by the DRA Parties in the DRA Adversary Proceeding (the “Motion to Dismiss”).⁵ The Assured Entities respectfully submit that there are no material factual issues in dispute relating to that issue, and they do not intend to call any witnesses relating to that issue (or any other issue). As discussed in the Motion to Dismiss and the *Monolines’ Reply to the Objection of the DRA Parties to the Seventh Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico et al.* (“Monoline Reply to DRA Conf. Obj.”), to be filed later today, the governing documents at issue unambiguously establish, as a matter of law, that the DRA Parties’ claims and liens are subordinated to the HTA bonds. And the other evidence submitted

³ “ECF No.” refers to documents filed in Case No. 17-BK-3283-LTS, unless otherwise noted.

⁴ The “Monolines” includes the Assured Entities, Ambac Assurance Corporation (“Ambac”), National Public Finance Guarantee Corporation (“National”), and Financial Guaranty Insurance Company (“FGIC”).

⁵ The “DRA Adversary Proceeding” is the adversary proceeding commenced by the DRA Parties against the Monolines and certain other parties, captioned *AmeriNational Community Services, LLC, et al. v. Ambac Assurance Corporation, et al.*, Adv. Proc. No. 21-00068-LTS (D.P.R.).

for the record at the plan confirmation hearing supports that same conclusion. (*See* Monoline Reply to DRA Conf. Obj. § I.).

4. Nonetheless, should the need arise, the Assured Entities respectfully reserve the right to cross-examine any witness on any material factual issue during the Confirmation Hearing.

5. In compliance with the Hearing Procedures Order, annexed hereto as **Exhibit A** is the Assured Entities' Party Appearance Sheet, as **Exhibit B** is the Assured Entities' Witness Cover Sheet, and as **Exhibit C** is the Assured Entities' Exhibit Cover Sheet.

6. Additionally, on behalf of the Monolines, including the Assured Entities, Ambac has submitted each of the 58 exhibits identified in the attached Exhibit C as attachments to the Monolines' Amended Exhibit List (*see* ECF Nos. 18813-18817) pursuant to the *Order Regarding Confirmation Hearing Exhibit Procedures* (ECF No. 18749). As a point of clarification, the Monolines' Amended Exhibit List varies slightly and nominally from the Exhibit List submitted on October 22, 2021 (ECF No. 18628-1) in that the Amended Exhibit List replaces versions of exhibits from the Monolines' original Exhibit List that did not have Bates stamps with versions that have Bates stamps from prior productions in these Title III proceedings. These changes were made purely to resolve any authentication concerns in an effort to streamline the plan confirmation proceedings. On behalf of the Monolines, Ambac advised the Government Parties and the DRA Parties of this non-substantive modification, and no party objected to such modification. To avoid duplicative filings, the Pretrial Informative Motions filed today by the Assured Entities, Ambac, National, and FGIC in accordance with the Hearing Procedures Order will refer to this same Amended Exhibit List and the corresponding document filings attached thereto.

7. Mr. Ellenberg, Mr. Natbony, Mr. Servais, and Mr. Curtin reserve the right to be heard on any matter raised by any party at the Pretrial Conference and/or the Confirmation Hearing as concerns the Assured Entities related to the Title III cases, or any adversary proceeding pending in the Title III cases, or the interests of the Assured Entities.

8. Additionally, the Assured Entities' representatives reserve the right to be heard in connection with the *Application of the Puerto Rico Infrastructure Financing Authority, by and through the Financial Oversight and Management Board for Puerto Rico, as Administrative Supervisor, for Approval of Qualifying Modification for PRIFA Pursuant to Section 601(m)(1)(D) of the Puerto Rico Oversight, Management, and Economic Stability Act*, Case No. 3:21-cv-01492 (D.P.R.) (ECF No. 1), and the *Application of the Puerto Rico Convention Center District Authority, by and through the Financial Oversight and Management Board for Puerto Rico, as Administrative Supervisor, for Approval of Qualifying Modification for CCDA Pursuant to Section 601(m)(1)(D) of the Puerto Rico Oversight, Management, and Economic Stability Act*, Case No. 3:21-cv-01493 (D.P.R.) (ECF No. 1).

[Remainder of Page Intentionally Omitted]

Dated: October 27, 2021
New York, New York

CASELLAS ALCOVER & BURGOS P.S.C.

By: /s/ Heriberto Burgos Pérez

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By: /s/ Howard R. Hawkins, Jr.

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CERTIFICATE OF SERVICE

I hereby certify that I filed this document electronically with the Clerk of the Court using the CM/ECF System, which will send notification of such filing to all parties of record in the captioned case.

At New York, New York, the 27th day of October, 2021.

By: /s/ Howard R. Hawkins, Jr.
Howard R. Hawkins, Jr.*
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